



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-118]

Wood Mouldings and Millwork Products from the People's Republic of China: Amended Preliminary Countervailing Duty Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Commerce) is amending the scope of the countervailing duty (CVD) investigation of wood mouldings and millwork products (millwork products) from the People's Republic of China (China) to conform with the scope published in the preliminary determinations of the companion antidumping duty (AD) investigations of millwork products from Brazil and China, where appropriate. The period of investigation is January 1, 2019 through December 31, 2019.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Irene Gorelik, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6905.

SUPPLEMENTARY INFORMATION:

Background

Commerce published its *CVD Preliminary Determination* on June 12, 2020.¹

¹ See *Wood Mouldings and Millwork Products from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination with Final Antidumping Duty Determination*, 85 FR 35900 (June 12, 2020) (*CVD Preliminary Determination*).

On August 12, 2020, Commerce published the Brazil and China *AD Preliminary Determinations* within which the scope of the investigations was amended to exclude certain products, and to clarify the inclusion of certain products, based upon comments received from interested parties.²

Amended Scope of the Investigation

The products covered by this investigation are millwork products from China. We are amending the scope of the CVD investigation to conform with the scope of the companion AD investigations, where appropriate, as indicated below. The following products are not subject to the scope of the investigation:

- Lumber (solid, edge-glued or fingered-jointed);
- Stair stringers;
- Countertop/butcherblocks; and,
- Unassembled wooden kitchen cabinets and unassembled wooden bathroom cabinets, including their wood moulding components, which are covered under another CVD order.

Furthermore, the following products are subject to the investigation:

- Screen/surfaced on four sides (S4S) and/or surface one side, two edges (S1S2E) stock/boards that are finger-jointed or edge-glued; and,
- Wood moulding door components which enter as part of unassembled door kits.

² See *Wood Mouldings and Millwork Products from Brazil: Preliminary Negative Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 85 FR 48667 (August 12, 2020); and *Wood Mouldings and Millwork Products from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 85 FR 48669 (August 12, 2020) (collectively, *AD Preliminary Determinations*); see also Memorandum, "Wood Mouldings and Millwork Products from Brazil and the People's Republic of China: Preliminary Scope Decision Memorandum," dated August 5, 2020, which was placed on the records of the AD and CVD investigations.

The above exclusions and clarifications were first enumerated in the *AD Preliminary Determinations*. For a complete description of the amended scope of this investigation, see Appendix I.

Suspension of Liquidation

We have not revised the estimated cash deposit rates published in the *CVD Preliminary Determination*. In accordance with section 703(d)(1)(B) and (d)(2) of the Tariff Act of 1930, as amended (the Act), we will direct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of entries of subject merchandise as described in the amended scope of the investigation, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*, and to continue to require a cash deposit, pursuant to 19 CFR 351.205(d). Additionally, because certain products are now excluded from the scope of the investigation, Commerce will instruct CBP to terminate suspension of liquidation of those excluded products, and to refund any cash deposits previously posted with respect to them.

Public Comment

Commerce has set a separate deadline for scope comments in the AD and CVD millwork products investigation proceedings.³ The current deadline for case briefs regarding scope issues is 30 days after the publication of the *AD Preliminary Determinations*, which is September 11, 2020, and the deadline for rebuttal briefs regarding scope issues is seven days after scope case briefs are due, which is September 18, 2020.⁴ Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation are encouraged to submit

³ See *AD Preliminary Determinations* at “Public Comment.”

⁴ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. Case and rebuttal briefs regarding scope issues must be filed on the AD and CVD records.

Notifications

In accordance with section 703(f) of the Act, Commerce will notify the International Trade Commission of its amended determination. This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act and 19 CFR 351.205(c).

Dated: August 14, 2020.

Jeffrey I. Kessler,
Assistant Secretary for Enforcement and Compliance.

Appendix I

Amended Scope of the Investigation

The merchandise subject to this investigation consists of wood mouldings and millwork products that are made of wood (regardless of wood species), bamboo, laminated veneer lumber (LVL), or of wood and composite materials (where the composite materials make up less than 50 percent of the total merchandise), and which are continuously shaped wood or finger-jointed or edge-glued moulding or millwork blanks (whether or not resawn). The merchandise subject to this investigation can be continuously shaped along any of its edges, ends, or faces.

The percentage of composite materials contained in a wood moulding or millwork product is measured by length, except when the composite material is a coating or cladding. Wood mouldings and millwork products that are coated or clad, even along their entire length, with a composite material, but that are otherwise comprised of wood, LVL, or wood and composite materials (where the non-coating composite materials make up 50 percent or less of the total merchandise) are covered by the scope.

The merchandise subject to this investigation consists of wood, LVL, bamboo, or a combination of wood and composite materials that is continuously shaped throughout its length (with the exception of any endwork/dados), profiled wood having a repetitive design in relief, similar milled wood architectural accessories, such as rosettes and plinth blocks, and finger-jointed or edge-glued moulding or millwork blanks (whether or not resawn). The scope includes continuously shaped wood in the forms of dowels, building components such as interior paneling and jamb parts, and door components such as rails, stiles, interior and exterior door frames or jambs (including split, flat, stop applied, single- or double-rabbeted), frame or jamb kits, and packaged door frame trim or casing sets, whether or not the door components are imported as part of a door kit or set.

The covered products may be solid wood, laminated, finger-jointed, edge-glued, face-glued, or otherwise joined in the production or remanufacturing process and are covered by the scope whether imported raw, coated (*e.g.*, gesso, polymer, or plastic), primed, painted, stained, wrapped (paper or vinyl overlay), any combination of the aforementioned surface coatings, treated, or which incorporate rot-resistant elements (whether wood or composite). The covered products are covered by the scope whether or not any surface coating(s) or covers obscures the grain, textures, or markings of the wood, whether or not they are ready for use or require final machining (*e.g.*, endwork/dado, hinge/strike machining, weatherstrip or application thereof, mitre) or packaging.

All wood mouldings and millwork products are included within the scope even if they are trimmed; cut-to-size; notched; punched; drilled; or have undergone other forms of minor processing.

Subject merchandise also includes wood mouldings and millwork products that have been further processed in a third country, including but not limited to trimming, cutting, notching, punching,

drilling, coating, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the in-scope product.

Excluded from the scope of this investigation are countertop/butcherblocks, exterior fencing, exterior decking and exterior siding products (including solid wood siding, non-wood siding (e.g., composite or cement), and shingles) that are not LVL or finger jointed; finished and unfinished doors; flooring; parts of stair steps (including newel posts, balusters, easing, gooseneck, risers, treads, rail fittings and stair stringers); picture frame components three feet and under in individual lengths; and lumber whether solid, finger-jointed, or edge-glued. To be excluded from the scope, finger-jointed or edge-glued lumber must have a nominal thickness greater than 1.5 inches and a certification stamp from an American Lumber Standard Committee-certified grading bureau. The exclusion for lumber whether solid, finger-jointed, or edge-glued does not apply to screen/“surfaced on 4 sides” (S4S) and/or “surface 1 side, 2 edges” (S1S2E) stock (also called boards) that are finger-jointed, edge-glued mouldings, or millwork blanks (whether or not resawn).

Excluded from the scope of this investigation are all products covered by the scope of the countervailing duty order on *Hardwood Plywood from the People’s Republic of China*. See *Certain Hardwood Plywood Products from the People’s Republic of China: Countervailing Duty Order*, 83 FR 513 (January 4, 2018).

Excluded from the scope of this investigation are all products covered by the scope of the countervailing duty order on *Multilayered Wood Flooring from the People’s Republic of China*. See *Multilayered Wood Flooring from the People’s Republic of China: Countervailing Duty Order*, 76 FR 76693 (December 8, 2011).

Excluded from the scope of this investigation are all products covered by the scope of the countervailing duty order on *Wooden Cabinets and Vanities from the People’s Republic of China*. See *Wooden Cabinets and Vanities and Components Thereof from the People’s Republic of China: Countervailing Duty Order*, 85 FR 22134 (April 21, 2020).

Imports of wood mouldings and millwork products are primarily entered under the following Harmonized Tariff Schedule of the United States (HTSUS) numbers: 4409.10.4010, 4409.10.4090, 4409.10.4500, 4409.10.5000, 4409.22.4000, 4409.22.5000, 4409.29.4100, and 4409.29.5100. Imports of wood mouldings and millwork products may also enter under HTSUS numbers: 4409.10.6000, 4409.10.6500, 4409.22.6000, 4409.22.6500, 4409.29.6100, 4409.29.6600, 4418.20.4000, 4418.20.8030, 4418.20.8060, 4418.99.9095 and 4421.99.9780. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.